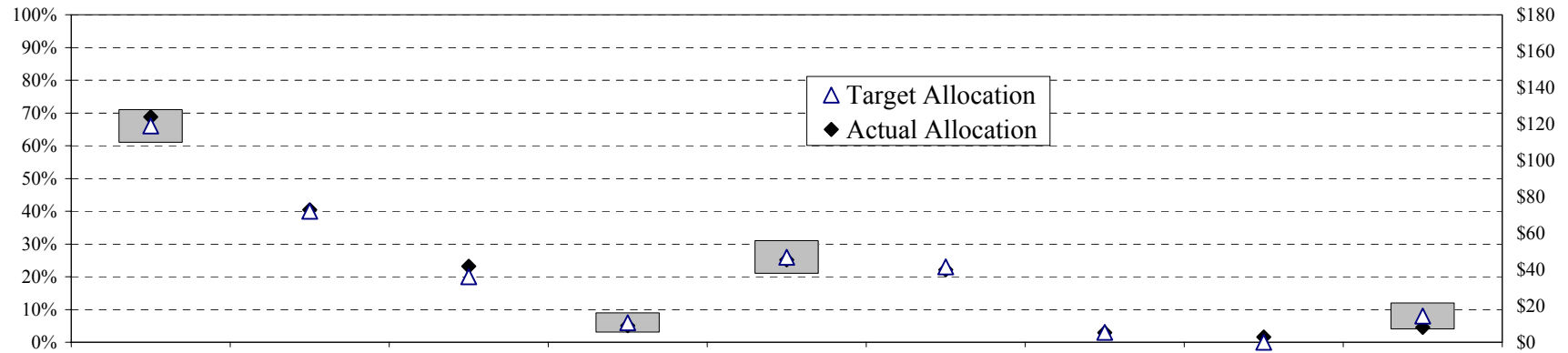


CaIPERS

Asset Allocation as of February 28, 2006

Total Fund Market Value: **\$207,114,623,807**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash ²	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	68.8%	40.5%	23.2%	5.1%	25.1%	22.2%	3.0%	1.6%	4.5%	N/A
Variance %	2.8%	0.5%	3.2%	(0.9%)	(0.9%)	(0.8%)	(0.0%)	1.6%	(3.5%)	N/A
Strategic \$ ³	\$136.7	\$82.8	\$41.4	\$12.4	\$53.8	\$47.6	\$6.2	\$0.0	\$16.6	N/A
Actual \$ ^{3 4}	\$142.4	\$83.8	\$48.0	\$10.6	\$52.1	\$45.9	\$6.1	\$3.4	\$9.3	N/A
Variance \$ ³	\$5.7	\$1.0	\$6.6	(\$1.9)	(\$1.8)	(\$1.7)	(\$0.1)	\$3.4	(\$7.3)	N/A
% Passive	57.5%	80.8%	29.4%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	39.7%
% Active	42.5%	19.2%	70.6%	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%	60.3%
% Internal ¹	51.6%	80.8%	12.0%	0.0%	87.7%	99.5%	0.0%	44.0%	5.0%	58.5%
% External ¹	48.4%	19.2%	88.0%	100.0%	12.3%	0.5%	100.0%	56.0%	95.0%	41.5%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ For cash percentage only, average over previous 6 months.

² Cash includes SMIF at STO.

³ (\$ Billion)

⁴ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

Private Equity Asset Allocation as of 02/28/2006			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$10.56	5.1%	
Unfunded Commitment	\$10.10	4.9%	
Current Market Value plus Unfunded Commitment	\$20.66	10.0%	3-9%

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 2/28/2006

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure (1)	TOTAL Market Value	% of Total Fund(3)
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending(2)				
GENERAL ELECTRIC	274,355,273	1,275,520,350	184,682,199		1,734,557,822	92,670,854	79,033,169	746,498,475	918,202,498		2,652,760,320	0.91%
EXXON MOBIL CORP	242,282,914	1,384,947,738	240,366,926		1,867,597,578				0		1,867,597,578	0.89%
BANK OF AMERICA CORP	90,336,421	784,882,079	151,662,401		1,026,880,901	68,183,508	14,409,564	356,423,000	439,016,072		1,465,896,973	0.53%
MICROSOFT CORP	170,702,746	1,050,442,310	190,131,164		1,411,276,220				0		1,411,276,220	0.68%
CITIGROUP	110,690,847	891,991,868	192,069,687		1,194,752,402	88,957,546	27,637,137		116,594,683		1,311,347,085	0.63%
HSBC HOLDINGS	0	219,595,849	126,827,298	215,738,627	562,161,774	165,535,176	269,995,995	202,472,354	638,003,525		1,200,165,299	0.48%
BERKSHIRE HATHAWAY	121,874,104	493,201,952	20,475,200		635,551,256	209,934,887	1,007,079	200,084,500	411,026,466		1,046,577,722	0.41%
WAL MART STORES INC	137,445,109	690,587,856	50,192,962		878,225,927	151,852,618	4,241,148		156,093,766		1,034,319,693	0.50%
PFIZER INC	104,290,754	713,313,459	145,751,174		963,355,387	23,264,673			23,264,673		986,620,060	0.47%
PROCTER + GAMBLE CO	117,931,213	748,823,672	93,749,398		960,504,283	10,035,676			10,035,676		970,539,959	0.46%
JOHNSON + JOHNSON	138,756,632	632,795,225	111,600,369		883,152,226	29,943,718			29,943,718		913,095,944	0.44%
JPMORGAN CHASE & CO	116,985,251	530,078,120	84,319,721		731,383,092	49,608,212	9,094,278	99,770,430	158,472,920	8,828,590	898,684,602	0.38%
PRUDENTIAL FINL INC	261,234,936	157,254,048	252,541,613		671,030,597		207,973,653		207,973,653		879,004,250	0.42%
AMERICAN INTL GROUP INC	86,421,424	638,071,308	72,649,136		797,141,868	18,843,616	29,505,895		48,349,511		845,491,379	0.40%
VERIZON COMMUNICATIONS	49,967,934	365,401,922	66,195,259		481,565,115	294,633,500	9,514,549		304,148,049		785,713,164	0.38%
CHEVRONTXACO CORP	81,046,880	467,620,512	95,204,665		643,872,057	127,544,471			127,544,471		771,416,528	0.37%
THORNBURG MTG CAP RES I	0	0	0		0	0		731,709,010	731,709,010		731,709,010	0.00%
CISCO SYS INC	103,455,282	489,923,368	68,696,179		662,074,829	30,796,703			30,796,703		692,871,532	0.33%
TOTAL SA	0	176,488,576	130,852,452	172,454,734	479,795,762		207,973,653		207,973,653		687,769,415	0.23%
INTERNATIONAL BUSINESS M	110,072,430	469,660,768	61,908,691		641,641,889	17,225,321	3,369,634		20,594,955		662,236,844	0.32%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

TARGET PERCENTAGE COMPARISON ASSET ALLOCATION¹ As of February 28, 2006

(A) <u>Asset Class</u>	(B) <u>Market Value</u> (\$ Billion)	(C) <u>Current</u> <u>Allocation</u>	(D) <u>Target</u>	(E) <u>Macro</u> <u>Ranges</u>	(F) <u>Difference</u> <u>(C-D)</u>
Total Cash Equivalents	3.4	1.6 %	0.0 %		1.6 %
Total AIM: Direct/Partnership	10.6	5.1	6.0	3-9 %	-0.9
Total Global Fixed Income	52.1	25.1	26.0	21-31 %	-0.9
Equities					
Domestic ²	83.8	40.5	40.0		0.5
International	<u>48.0</u>	<u>23.2</u>	<u>20.0</u>		<u>3.2</u>
Total Equities	131.8	63.7	60.0	61-71 %	3.7
Total Real Estate	9.3	4.5	8.0	4-12 %	-3.5
Total Equities & Real Estate	<u>141.1</u>	<u>68.1</u>	<u>68.0</u>		0.1
Total Fund	<u><u>207.1</u></u>	<u><u>100.0 %</u></u>	<u><u>100.0 %</u></u>		

¹ As allocated to managers.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$181.1M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON ASSET ALLOCATION

As of February 28, 2006

(A) <u>Asset Class</u>	(B) Current <u>Allocation</u>	(C) <u>Market Value</u> (\$ Billion)	(D) <u>New Policy</u> ¹ (\$ Billion)	(E) Difference <u>(D-C)</u> (\$ Billion)
Total Cash Equivalents	1.6 %	3.4	0.0	-3.4
Total AIM: Direct/Partnership	5.1	10.6	12.4	1.9
Total Global Fixed Income	25.1	52.1	53.8	1.8
Equities				
Domestic ²	40.5	83.8	82.8	-1.0
International	<u>23.2</u>	<u>48.0</u>	<u>41.4</u>	<u>-6.6</u>
Total Equities	63.7	131.8	124.3	-7.6
Total Real Estate	4.5	9.3	16.6	7.3
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	68.1	141.1	140.8	-0.3
	<hr/>	<hr/>	<hr/>	
Total Fund	<u>100.0 %</u>	<u>207.1</u>	<u>207.1</u>	

¹ New Policy: Strategic asset allocation targets effective January 1, 2005.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$181.1M**.

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MONTHLY PROGRESS REPORT

ASSET ALLOCATION¹

As of February 28, 2006

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>1/31/2006 Market Value (\$ Billion)</u>	<u>2/28/2006 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
Total Cash Equivalents	3.6	3.4	-0.3	0.0
Total AIM: Direct/Partnership	10.6	10.6	0.0	12.4
Total Global Fixed Income	51.9	52.1	0.2	53.8
Equities				
Domestic ²	83.7	83.8	0.1	82.8
International	<u>48.1</u>	<u>48.0</u>	<u>-0.1</u>	<u>41.4</u>
Total Equities	131.8	131.8	0.0	124.3
Total Real Estate	9.3	9.3	0.0	16.6
	_____	_____	_____	_____
Total Equities & Real Estate	141.1	141.1	0.0	140.8
	_____	_____	_____	_____
Total Fund	<u>207.2</u>	<u>207.1</u>	<u>0.0</u>	<u>207.1</u>

¹ Monthly progress report toward new policy targets.

² Included is MDP Investment: LM Capital Investment: Total Market Value=\$181.1M.

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BOOK VS MARKET VALUE

As of February 28, 2006

(A) <u>Asset Class</u>	(B) <u>Book</u> <u>Value</u> (\$ Billion)	(C) <u>Market</u> <u>Value</u> (\$ Billion)	(D) <u>Difference</u> <u>(C - B)</u> (\$ Billion)
Total Cash Equivalents	3.4	3.4	0.0
Total AIM: Direct/Partnership	12.4	10.6	-1.8
Total Global Fixed Income	51.6	52.1	0.4
Equities			
Domestic ¹	48.9	83.8	34.9
International	<u>36.4</u>	<u>48.0</u>	<u>11.6</u>
Total Equities	85.3	131.8	46.6
Total Real Estate	8.2	9.3	1.1
	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	93.5	141.1	47.7
	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>160.8</u></u>	<u><u>207.1</u></u>	<u><u>46.3</u></u>

¹ Included is MDP Investment- LM Capital Investment: Total Book Value=~~\$184.1M~~, Total Market Value=~~\$181.1M~~.

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GROSS PERFORMANCE VS EXPECTED RETURNS

One Year

March 1, 2005 to February 28, 2006

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	1.6 %	3.8 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	28.1	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	25.1	3.2	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.5	10.6	9.6	17.0	-7.4 - 26.6
International	<u>23.2</u>	<u>22.2</u>	9.1	19.5	-10.4 - 28.6
Total Equities	63.7	14.4			
Total Real Estate	4.5	52.2	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>14.0</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

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NET PERFORMANCE VS EXPECTED RETURNS

One Year
March 1, 2005 to February 28, 2006

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	1.6 %	3.8 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	28.1	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	25.1	3.1	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.5	10.6	9.6	17.0	-7.4 - 26.6
International	<u>23.2</u>	<u>22.1</u>	9.1	19.5	-10.4 - 28.6
Total Equities	63.7	14.3			
Total Real Estate	4.5	40.7	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>13.4</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

GROSS RETURNS
One Year
March 1, 2005 to February 28, 2006

	(A)	(B)	(C)
<u>Asset Classes</u>	<u>Reported Gross Return</u>	<u>Expenses¹ (Percent)</u>	<u>Net Return (A-B)</u>
Total Cash Equivalents	3.79%	0.00%	3.79%
Total AIM	28.08%	0.02%	28.06%
Total Global Fixed Income	3.16%	0.02%	3.14%
Equities			
Domestic	10.59%	0.03%	10.56%
International	<u>22.20%</u>	<u>0.07%</u>	<u>22.13%</u>
Total Equities	14.37%	0.04%	14.33%
Total Real Estate	52.24%	11.53%	40.71%
	<hr/>	<hr/>	<hr/>
Total Fund	13.96%	0.55%	13.41%

¹ Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending February 28, 2006
Investment Committee Meeting April 2006

	MKT VAL (000'S)	One Month Feb 06	QTR Dec - Feb 06	FYTD 05-06	CYTD 2006	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	207,114,624	0.08	4.78	11.18	3.16	13.96	17.83	7.11	9.40
CALPERS POLICY INDEX		0.28	4.69	10.08	3.14	11.48	16.22	6.28	8.55
ACTUAL WEIGHTED TOTAL FUND INDEX		0.11	4.70	8.65	3.01	9.89	15.93	6.33	8.40
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	79,795,751	-0.08	3.38	9.96	3.35	10.52	18.81	3.78	9.21
WILSHIRE 2500 EX TOBACCO (BLENDED)		-0.10	3.33	9.71	3.35	10.29	18.72	3.50	8.86
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	31,051,974	-0.26	11.81	24.72	6.83	21.34	31.03	8.97	7.79
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	31,105,164	0.03	11.27	25.14	6.36	23.86	30.24	8.20	8.07
CALPERS FTSE A-W X US/SSGA BLEND		-0.25	11.65	24.00	6.57	20.60	30.86	8.88	7.71
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	14,131,461	-0.22	10.92	22.11	6.14				
CALPERS FTSE DEV WORLD EX US & TOBACCO		-0.21	10.94	21.98	6.16				
SWCG INTERNATIONAL EQUITY TRANSITION	12,660	-3.24	12.15		9.14				
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	2,212,548	0.79	5.64	10.46	3.94	12.04	12.00		
TOTAL ARS PROGRAM BLENDED INDEX		0.66	2.12	5.13	1.30	7.85	12.11		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	4,074,251	-1.26	4.28	14.36	1.97	20.42	33.69	15.98	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.49	6.60	20.62	3.18	19.23	25.93	7.11	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	181,126	0.12	1.29	0.45	0.47	2.08	4.70		
CITIGROUP BROAD INVESTMENT GRADE		0.36	1.35	0.32	0.35	2.89	3.35	5.48	6.34
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	45,917,765	0.73	2.09	1.04	0.63	4.41	6.32	7.19	7.59
CALPERS CUSTOM LEH LPF		0.55	1.77	-0.36	0.29	3.42	4.49	6.64	7.17
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	6,139,916	-0.29	2.87	-2.04	1.48	-5.85	6.59	8.06	5.35
CALPERS WORLD GOVT EX US		-0.62	2.48	-2.24	1.30	-6.32	5.91	7.81	4.77
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	3,356,583	0.35	1.07	2.80	0.71	3.79	2.21	2.55	4.24
CALPERS CUSTOM STIF NET OF FEES		0.34	1.06	2.58	0.70	3.53	1.99	2.25	3.92
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,562,324	-0.50	5.01	13.17	5.03	28.08	15.78	2.82	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	10,428,669	-0.52	5.09	13.25	5.02	28.44	15.72	2.91	13.11
PERS WILSHIRE 2500/CYFU BLEND		1.81	5.53	15.44	3.65	22.59	12.78	1.25	7.69
SW2V AIM DISTRIBUTION STOCK	133,655	2.15	-0.62	-0.80	7.12	1.12	21.52	0.16	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,052,914	0.04	2.77	19.82	0.21	52.98	25.42	18.80	16.67
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,491,359	0.22	6.52	14.93	0.75	42.18	28.22	17.52	16.25
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	4.44	10.02	0.00	19.19	13.04	10.95	11.63

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending February 28, 2006
Investment Committee Meeting April 2006

	MKT VAL (000'S)	One Month Feb 06	QTR Dec - Feb 06	FYTD 05-06	CYTD 2006	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	207,114,624	0.07	4.74	10.99	3.16	13.41	17.53	6.87	9.25
CALPERS POLICY INDEX		0.28	4.69	10.08	3.14	11.48	16.22	6.28	8.55
ACTUAL WEIGHTED TOTAL FUND INDEX		0.11	4.70	8.65	3.01	9.89	15.93	6.33	8.40
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	79,795,751	-0.08	3.37	9.94	3.35	10.49	18.79	3.76	9.19
WILSHIRE 2500 EX TOBACCO (BLENDED)		-0.10	3.33	9.71	3.35	10.29	18.72	3.50	8.86
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	31,051,974	-0.27	11.79	24.66	6.82	21.26	30.95	8.92	7.75
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	31,105,164	0.01	11.26	25.07	6.34	23.77	30.15	8.14	8.02
CALPERS FTSE A-W X US/SSGA BLEND		-0.25	11.65	24.00	6.57	20.60	30.86	8.88	7.71
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	14,131,461	-0.22	10.92	22.11	6.14				
CALPERS FTSE DEV WORLD EX US & TOBACCO		-0.21	10.94	21.98	6.16				
SWCG INTERNATIONAL EQUITY TRANSITION	12,660	-3.24	12.15		9.14				
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	2,212,548	0.78	5.59	10.33	3.93	11.85	11.70		
TOTAL ARS PROGRAM BLENDED INDEX		0.66	2.12	5.13	1.30	7.85	12.11		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	4,074,251	-1.28	4.22	14.28	1.89	20.21	33.05	15.49	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.49	6.60	20.62	3.18	19.23	25.93	7.11	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	181,126	0.12	1.29	0.38	0.47	1.97	4.48		
CITIGROUP BROAD INVESTMENT GRADE		0.36	1.35	0.32	0.35	2.89	3.35	5.48	6.34
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	45,917,765	0.73	2.08	1.03	0.63	4.40	6.31	7.18	7.58
CALPERS CUSTOM LEH LPF		0.55	1.77	-0.36	0.29	3.42	4.49	6.64	7.17
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	6,139,916	-0.30	2.85	-2.09	1.47	-5.92	6.51	7.98	5.27
CALPERS WORLD GOVT EX US		-0.62	2.48	-2.24	1.30	-6.32	5.91	7.81	4.77
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	3,356,583	0.35	1.07	2.80	0.71	3.79	2.21	2.55	4.24
CALPERS CUSTOM STIF NET OF FEES		0.34	1.06	2.58	0.70	3.53	1.99	2.25	3.92
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,562,324	-0.50	5.01	13.15	5.02	28.06	15.76	2.81	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	10,428,669	-0.52	5.09	13.25	5.02	28.44	15.72	2.91	13.11
PERS WILSHIRE 2500/CYFU BLEND		1.81	5.53	15.44	3.65	22.59	12.78	1.25	7.69
SW2V AIM DISTRIBUTION STOCK	133,655	2.15	-0.89	-1.94	6.82	-0.23	20.39	-0.93	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,052,914	0.04	2.38	16.34	0.21	42.03	21.54	16.02	14.89
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,491,359	0.22	5.23	12.16	0.75	30.37	22.35	13.34	13.43
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	4.44	10.02	0.00	19.19	13.04	10.95	11.63

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

CALPERS INVESTMENT IN CALIFORNIA as of February 28, 2006

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of	
	Portfolio	California	California	Asset Class	
<u>Asset Class</u>	<u>Value</u>	<u>(Commitment/</u>	<u>Investments</u>	<u>(D/B)</u>	<u>Program Description or Assumption</u>
	<u>(\$ millions)</u>	<u>Investments)</u> ¹	<u>(\$ millions)</u>	<u>%</u>	
Real Estate - Mortgages					
AFL-CIO (HIT)	97.9	N/A	62.5	64	Union related mortgage fund
CA Community Mortgage Fund	30.2	30.2	30.2	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	613.9	682.4	682.4	N/A	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	1,468.3	N/A	N/A	N/A	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	<u>16.9</u>	<u>16.9</u>	<u>16.9</u>	<u>100</u>	No new additional commitments will be issued as of 3/27/98. All commitments issued.
Subtotal	2,227.1	729.5	792.0	36 %	
Core Portfolio					
AFL-CIO (BIT)	137.5	N/A	23.1	17	Union related mortgage funds
CORE - Equity	5,477.8	2,381.1	2,381.1	43	CORE Equity programs
PREES- REITS	465.1	218.9	218.9	47	Public companies
Non-Core Portfolio					
Senior Housing	343.7	64.5	64.5	19	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
California Urban Real Estate- (CURE)					
Pacific City Homes	103.2	250.0	103.2	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	57.4	175.0	57.4	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	187.1	550.0	187.1	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	156.	665.0	156.0	100	Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	37.2	135.0	37.2	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	220.5	405.0	220.5	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	422.5	750.0	422.5	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	3.6	40.0	3.6	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	5.8	150.0	5.8	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	1.4	50.0	1.4	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	240.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	19.8	N/A	19.8	100	
Housing					
Acquisition & Development	37.1	37.1	37.1	100	California land acquisition & development program
National Housing	1,558.7	447.9	447.9	29	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	69.	69.0	69.0	100	California Single Family Housing program

CALPERS INVESTMENT IN CALIFORNIA as of February 28, 2006

(A)	(B)	(C)	(D)	(E)	(F)
		California		CA Investment	
	Portfolio	(Commitment/	California	as % of	
	Value	Investments) ¹	Investments	Asset Class	
				(D/B)	
<u>Asset Class</u>	<u>(\$ millions)</u>	<u>(\$ millions)</u>	<u>(\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Natural Resources					
Agricultural	117.1	92.1	69.1	59	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	143.5	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
Opportunistic					
DIVCO West / Pagemill	23.8	175.0	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Other Opportunistic Real Estate	846.3	200.0	96.9	N/A	
International					
International Real Estate	566.1	N/A	N/A	N/A	International real estate.
Subtotal	<u>11,011.3</u>	<u>7,095.6</u>	<u>4,635.1</u>	<u>42</u> %	Real estate commitment values
SW6KRE - CORE MV Adjustment	-682.9				
SW8KRE - SPECIALIZED MV Adjustment	<u>-1,032.1</u>				
Total Real Estate	<u>11,523.5</u>	<u>7,825.1</u>	<u>5,427.2</u>	<u>47</u> %	
AIM: Partnership Component	10,562.3	1,900.0	1,600.0	15	Includes commitments through February 28, 2006
Domestic Equity	83,809.1	10,895.2	10,895.2	13	CA investment assumed to be 13% of total portfolio value
International Equity	<u>48,031.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Equities	<u>142,403.2</u>	<u>12,795.2</u>	<u>12,495.2</u>	<u>9</u> %	
Total Real Estate & Equities	153,926.7	20,620.3	17,922.4	12 %	Of total portfolio CA investments in real estate & equities: 8.7%
Cash Equivalents	3,357.4	0.0	0.0	0	On deposit at the Treasurer's Office: \$797.79
Domestic Fixed Income					
Corporate Bonds	20,012.6	505.9	505.9	3	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	14,690.3	2,498.1	2,498.1	17	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	239.1	0.0	0.0	0	
Treasury Bonds	<u>8,744.2</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Subtotal	43,690.6	3,004.0	3,004.0	7 %	
International Fixed Income	<u>6,139.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Global Fixed Income	49,830.5	3,004.0	3,004.0	6 %	
TOTAL	<u>207,114.6</u> =====	<u>23,624.3</u> =====	<u>20,926.4</u> =====	<u>10</u> % =====	Outstanding commitments (column E/column C): 11.4%

¹ Total actual investments at market value and outstanding program commitments in California